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STATE BOARD OF EQUALIZATION STAFF LEGISLATIVE BILL ANALYSIS

Date Amended:	09/04/03	Bill No:	AB 914
Tax:	Emergency Telephone Users Surcharge	Author:	Reyes
Board Position:		Related Bills:	

The bill, as amended, is no longer within the scope of responsibility of the Board.

COMMENT

The September 4, 2003, amendments delete the provisions that would have, among other things, renamed the "Emergency Telephone Users Surcharge Act" the "Emergency Telecommunications Surcharge Act," and revised the imposition of the surcharge to be imposed on amounts paid by every person in the state for intrastate telecommunications service in this state.

The bill would instead authorize the Public Utilities Commission to issue financing orders to support the issuance of energy recovery bonds by the California Infrastructure and Economic Development Bank. The bonds would be secured by a dedicated rate component for any electrical corporation that filed for federal bankruptcy protection or for reorganization pursuant to Chapter 11 of the Bankruptcy Code prior to December 31, 2002. The bonds would only be issued as part of a plan of reorganization endorsed by the commission to secure the emergence of the corporation from bankruptcy protection or to implement a confirmed plan, provided the commission finds that the corporation's ratepayers will benefit from lower rates as a result of the issuance of the bonds. These provisions would fall under the purview of the Public Utilities Commission.

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